

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

MINES & MINERALS – Mining Lease for Limestone over an extent of 613.476 Hectares in various Survey Numbers of Tangeda Village, Dachepalli Mandal, Vemavaram & Chennayapalem Villages, Machavaram Mandal of Guntur District held by M/s Saraswathi Power and Industries (P) Limited - Declared as lapsed under rule 28 (1) of M.C.Rules, 1960 - Orders – Issued.

INDUSTRIES & COMMERCE (M.II) DEPARTMENT

G.O.MS.No. 98

Dated: 09.10.2014

Read the following:-

1. G.O.Ms.No.107, Ind & Com (M.III) Dept., dt.18.05.2009.
2. G.O.Ms.No.129, Ind & Com (M.III) Dept., dt.06.06.2009.
3. The DMG File No.37172/R3-1/2011, Dt.01.11.2011.
4. Govt. Memo No.15456/M.II (2)/2011-1, Dt:17.02.2012.
5. Govt. Memo No.15456/M.II (2)/2011-3, Dt:02.06.2012.
6. From the Director, M/s Saraswathi Power & Industries Pvt. Limited, dt:19.06.2012.
7. Govt.Letter.No.15456/M.IV(2)/2011-5, dt:03.12.2012.
8. From the Director, M/s Saraswathi Power & Industries Pvt. Limited, dt:04.03.2013.
9. From the Director of Mines & Geology, Govt., of A.P., Hyd., File No.37172/R3-1/2011, Dt.23.08.2014.

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ORDER:

In the reference 1st read above, based on the recommendation of the Director of Mines & Geology, Govt., of A.P., Hyderabad, Government have issued orders granting a Mining Lease for Limestone extraction over an extent of 613.70 hactares in total in Tangeda, Vemavaram and Chennayapalem Villages of Guntur District, for a period of 30 years, in favour of M/s. Saraswathi Power & Industries (P) Limited. This lease was strictly subject to conditions like furnishing financial assurance before execution of Lease deed and submission of consent for establishment (CFE) from A.P. Pollution Control Board and Environmental Clearance from Government of India under Environmental Impact assessment as per S.O.1533, dt:14.09.2006 and also subject to satisfaction of all other terms & conditions laid down in Mineral Concession Rules,1960 and Mines and Minerals (Development & Regulation) Act,1957.

2. In the reference 2nd read above, in partial modification to the above said orders, Government have issued orders reducing the mining area from 613.700 Ha to 613.476 Ha i.e., over an extent of 266.014 Hectares in Sy.Nos.1 to 15, 27, 28, 30 to 34, 37, 148 to 152, 158, 160 to 190, 196 to 217, 220, 228, 335 to 343, 348 to 359, 367 to 368 of Tangeda Village, Dachepalli Mandal and over an extent of 145.208 Hactares in Sy.Nos.405 to 465, 689 to 692, 694 to 698, 700 to 703 of Vemavaram Village, Machavaram Mandal and over an extent of 202.254 Hectares in Sy.Nos. 1 to 38, 43, 44, 58 of Chennayapalem Village, Machavaram Mandal of Guntur District for a period of 30 years in favour of M/s Saraswathi Power and Industries (P) Limited, duly taking into the consideration of that 2.471 Acres per Hactares as approved by the IBM, subject to the conditions mentioned thereof.

3. In the reference 3rd read above, the Director of Mines & Geology, Hyderabad, has requested the Government to declare the subject Mining Lease held by M/s. Saraswathi Power and Industries Pvt. Ltd., as lapsed w.e.f. 20.08.2011, under rule 28(1) of M.C. Rules, 1960 on the following grounds:

- (1) The Mining Lease is non-working and kept idle since execution of lease deed which attracts necessary action under Rule-28 (1) of MC Rules, 1960.

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(2) The Mining Lease holder is in Mineral Revenue dues of Rs. 23,922.00 as on 31.03.2011, which is a breach of Rule-27 (1) of MC Rules, 1960 read with covenant 1 part of VII of the lease deed executed.

(3) The Mining Lease holder has not submitted any monthly, Quarterly and annual returns which is a breach of Rule-45 of MCDR, 1988.

4. Further, as per the records, there is no information available regarding filing of any representation by the Lease holder under Rule-28 (2) of MC Rules, 1960.

5. Accordingly, the Government have issued a show cause notice vide reference 4th read above, to the lessee company, directing to show cause within 15 days, as to why declare the said mining lease, as lapsed w.e.f. 20.08.2011, under Rule 28 (1) of MC Rules, 1960, in view of non-fulfillment of the conditions.

6. Since the lessee company has not submitted their reply to the above Notice, the Government has given 2nd opportunity also to the lessee company vide reference 5th read above, for submitting their reply, within 10 days from the date of receipt of the notice. Accordingly, the lessee company has submitted their reply to the Show Cause Notice vide reference 6th read above.

7. The Director of Mines & Geology, who examined the reply submitted by the lessee company has reported that their reply is not satisfactory. There was no request for extension of time, as per Rule-28 (2) of MC Rules, 1960 and no efforts have been taken by the lessee Company for establishment of cement plant nearby the lease hold area despite lapse of Five years. Hence, the Director of Mines & Geology, recommended to the Government to declare the subject Mining Lease held by M/s. Saraswathi Power and Ind. Pvt. Ltd., as lapsed, w.e.f. 20.08.2011, under Rule 28(1) of M.C. Rules, 1960.

8. After careful examination of matter and after duly following the due procedure under rules and keeping in view the complete failure of the Company to fulfill the mining lease conditions, Government hereby declare the Mining Lease held by M/s. Saraswathi Power and Industries (P) Ltd., for Limestone, over an extent of 266.014 Hectares in Sy.Nos. 1 to 15, 27, 28, 30 to 34, 37, 148 to 152, 158, 160 to 190, 196 to 217, 220, 228, 335 to 343, 348 to 359, 367 to 368 of Tangeda, Dachepalli Mandal and over an extent of 145.208 Hactares in Sy.Nos.405 to 465, 689 to 692, 694 to 698, 700 to 703 of Vemavaram Village, Machavaram Mandal; and over an extent of 202.254 Ha in Sy.Nos.1 to 38, 43, 44, 58 of Chennayapalem Village, Machavaram Mandal of Guntur District, aggregating to an extent of 613.476 Hectares, in total, officially, as lapsed under the provisions laid down under Rule 28(1) of Mineral Concession Rules, 1960, with effect from 20.08.2011 :

- 1) The Mining Lease is non-working and kept idle since execution of lease deed which attracts necessary action under Rule-28 (1) of MC Rules, 1960.
- 2) The Mining Lease holder is in Mineral Revenue dues of Rs. 23,922.00 as on 31.03.2011, which is a breach of Rule-27 (1) of MC Rules, 1960 read with covenant 1 part of VII of the lease deed executed.
- 3) The Lessee Company has failed to file a representation under Rule 28 (2) of MC Rules, 1960 before the Government within the prescribed time limit.
- 4) M/s Saraswathi Power and Industries (P) Limited failed to establish the cement plant for captive purpose.

- 5) M/s Saraswathi Power and Industries (P) Limited failed to furnish the Environmental Clearance from MoEF, Govt., of India and Consent for Establishment & Consent for Operations from APPCB under Environment Impact Assessment as per S.O.1533, dt.14.09.2006, as per the conditions mentioned in the G.O 1st read above.

9. It should be noted in this regard that mineral wealth is the wealth of the nation and should be put to use for public good. Government gave mining lease so that the Company could do mining scientifically within the prescribed time limits and use the raw material to set up a Cement Plant. Such a plant would generate revenue for the State by way of taxes, employment for the local people and give boost to the overall economy of the region besides industrializing the area. None of these objectives could be achieved due to the abject failure of the Company. Hence the considered decision of the Government to lapse the mining lease as per rules.

10. The Director of Mines & Geology, Government of Andhra Pradesh, Hyderabad shall take necessary action accordingly in the matter, immediately, and compliance to the Government.

(BY ORDER AND IN THE NAME OF GOVERNOR OF ANDHRA PRADESH)

J.S.V.PRASAD
PRINCIPAL SECRETARY TO GOVERNMENT.

To

M/s Saraswathi Power and Industries Pvt Ltd,
Plot No.268/S/98, Sagar Society, Road No, 2,
Banjarahills, Hyderabad -34 (BY RPAD)

The Director of Mines & Geology, Government of Andhra Pradesh, Hyd., (with file)

Copy to:

The Zonal Joint Director of Mines & Geology, Ongole, Prakasam District.

The Assistant Director of Mines & Geology, Dachepalli, Guntur District.

The District Collector, Guntur district.

The Secretary to Govt. of India, Ministry of Mines, Sastry Bhavan, New Delhi-110001.

The Controller General, Indian Bureau of Mines, Indira Bavan,
Civil Lines, Nagpur - 440001.

The Director General, Mines Safety, Dhanbad, Jarkand.

The Regional Controller of Mines, Koti, Hyderabad.

SF//SCs (C.No.8594/M.II(1)/2014)

*Copy of this order is available on Internet and can be
accessed at address <http://www.ap.gov.in/goir>."*

//FORWARDED :: BY ORDER//

SECTION OFFICER